



Constellation



2001 ANNUAL REPORT

Building Stellar Brands

Corporate Profile

Constellation Brands, Inc. is a leader in the production and marketing of beverage alcohol brands in North America and the United Kingdom and is a leading independent drinks wholesaler in the United Kingdom. As the second largest supplier of wine, the second largest importer of beer and the fourth largest supplier of distilled spirits, Constellation is the largest single-source supplier of these products in the United States. In the United Kingdom, Constellation is a leading marketer of wine and the second largest producer and marketer of cider. With its broad portfolio,

Constellation believes it is distinctly positioned to satisfy an array of consumer preferences across all beverage alcohol categories.



Major Acquisitions

DESCRIPTION	YEAR ACQUIRED	MAJOR BRANDS ACQUIRED
Guild	1991	Cook's, Cibriari and Dunnewood
Barton	1993	Corona Extra, Corona Light, Modelo Especial, Negra Modelo, Pacifico, St. Pauli Girl, Peroni, Tsingtao, Ten High, Barton and Montezuma
Vintners	1993	Paul Masson, Taylor, Deer Valley, St. Regis and Great Western
Almaden/Inglenook	1994	Almaden and Inglenook
UDG	1995	Fleischmann's, Skol, Mr. Boston, Canadian Ltd., Chi Chi's, di Amore Amaretto and Schenley
Matthew Clark	1998	Stowells of Chelsea, Blackthorn, Diamond White and K
Black Velvet	1999	Black Velvet, Golden Wedding, MacNaughton and McMaster's
Simi	1999	Simi
Franciscan	1999	Franciscan Oakville Estate, Estancia, Mt. Veeder, Veramonte and Quintessa
Turner Road	2001	Talus, Vendange, Nathanson Creek and Heritage
Corus	2001	Alice White, Covey Run and Columbia
Ravenswood*	2001	Ravenswood

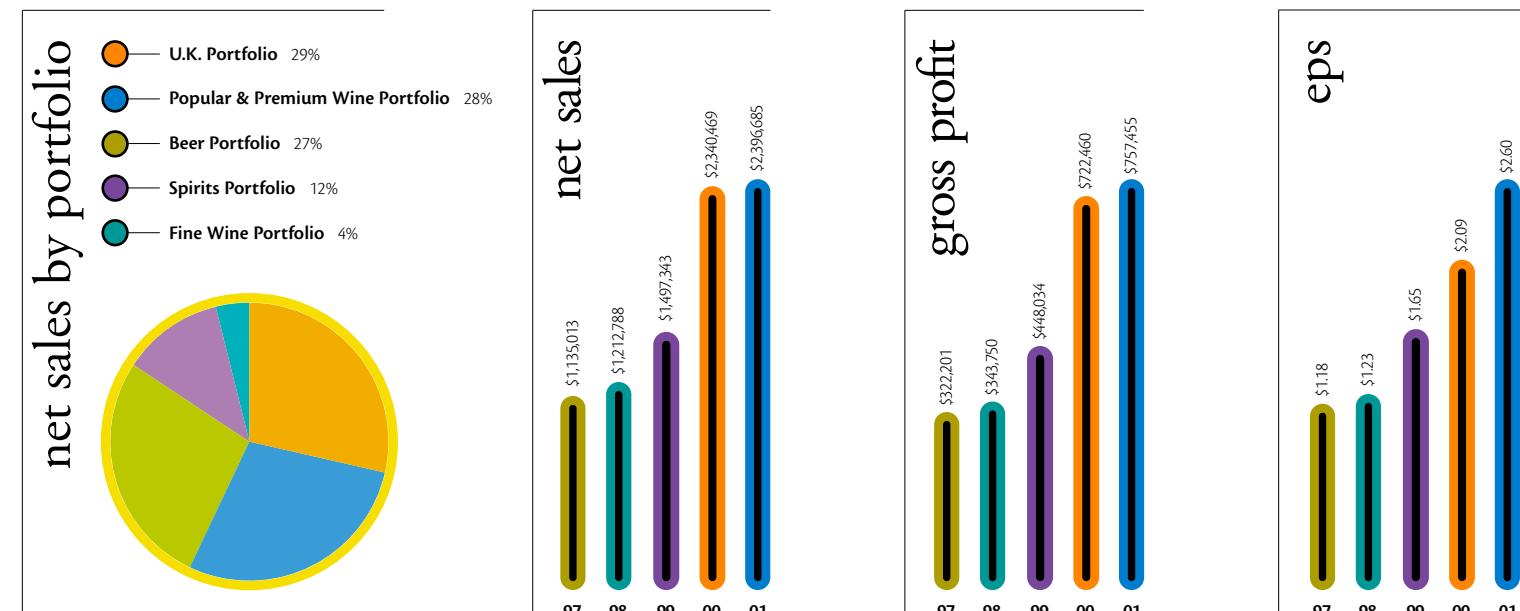
*The acquisition of Ravenswood Winery, Inc. is pending and is expected to close in early July 2001.

Financial Highlights

Years Ended February 28 and 29,	2001	2000	1999	1998	1997
(in thousands, except per share data)					
Gross sales	\$3,154,294	\$3,088,699	\$1,984,801	\$1,632,357	\$1,534,452
Net sales	\$2,396,685	\$2,340,469	\$1,497,343	\$1,212,788	\$1,135,013
Operating income*	\$ 270,868	\$ 235,041	\$ 145,892	\$ 112,070	\$ 113,210
Net income*	\$ 97,342	\$ 77,375	\$ 61,909	\$ 47,130	\$ 46,183
Basic earnings per share*	\$ 2.65	\$ 2.14	\$ 1.69	\$ 1.26	\$ 1.19
Diluted earnings per share*	\$ 2.60	\$ 2.09	\$ 1.65	\$ 1.23	\$ 1.18
Purchases of property, plant and equipment	\$ 68,217	\$ 57,747	\$ 49,857	\$ 31,203	\$ 31,649
Total debt	\$1,365,797	\$1,317,922	\$ 925,422	\$ 425,236	\$ 436,351
Stockholders' equity	\$ 616,268	\$ 520,840	\$ 435,272	\$ 425,427	\$ 377,937

*Included in the Fiscal 2000 results shown above are the impacts of nonrecurring charges related to the closure of a cider production facility within the Matthew Clark operating segment in the United Kingdom and to a management reorganization within the Canandaigua Wine company operating segment. The Fiscal 1999 results include the impact of nonrecurring charges related to the closure of the aforementioned cider production facility in the United Kingdom. In Fiscal 2000, these charges reduced pretax and after-tax income by \$5.5 million and \$3.3 million, respectively, and reduced diluted earnings per share by \$0.09. In Fiscal 1999, these charges reduced pretax and after-tax income by \$2.6 million and \$1.6 million, respectively, and reduced earnings per share by \$0.04. The results for Fiscal 1999 exclude an extraordinary item.

Note: Earnings per share have been retroactively adjusted to give effect to a two-for-one stock split distributed in the form of a stock dividend on May 14, 2001.



contents: Letter to shareholders page 2 • Industry Highlights page 5 • Ahead with Beer page 6 • The Best of Fine Wine page 8
Smooth Spirits page 10 • Popular and Premium Wine for any Occasion page 12 • Our Global Centerpiece page 14 • New Opportunities page 16
Selected Financial Data page 18 • Officers and Facilities page 19 • Investor Information page 20

To Our Shareholders

We are happy to report that Constellation Brands, Inc. has completed its strongest year ever, sustaining the earnings momentum that has given Constellation twelve consecutive quarters of double-digit growth. In Fiscal 2001, our earnings per share grew 25 percent from the previous year. We returned unprecedented shareholder value in a time of economic uncertainty and stock market volatility with a share price that rose 30 percent during the course of the year. And, we achieved record sales driven by our imported beer and fine wine portfolios. We are proud of these results, particularly since they validate our strategy and clearly demonstrate Constellation's continuing commitment to consistent strong growth.



Building Stellar Brands...



Performance

We believe that our strong performance over the past several years is the result of adherence to strategic imperatives that guide every major business decision at Constellation: Staying close to our customers and markets, focusing on growth and concentrating on markets with sufficient critical mass. With a portfolio of branded beverage alcohol products in beer, wine and spirits, Constellation capitalizes on a simple fact – consumers are not single-category drinkers, but rather they match beverage to occasion. Our range of growth-oriented, profitable brands allows us to outperform the industry while substantially reducing the volatility that can occur with reliance on a limited selection of products.

We maintain close contact with customers and markets through business units that are fully responsible for marketing, sales and production. We concentrate in markets of sufficient mass to attain the highest levels of profitability and growth, thereby creating a strong platform to

Let me provide you with some examples of our success. Constellation's beer portfolio enjoyed another strong year with 16 percent sales growth led by our Mexican portfolio, which includes Corona Extra, the best-selling import in the U.S. In fine wine, under the first full year of Constellation's ownership, sales increased 15 percent year over year as a result of strategic brand-building efforts, particularly in support of Franciscan Oakville Estate, Estancia and Simi. In our U.K. business, strength in branded table wine sales was driven by Stowells of Chelsea, while results from the wholesale operation demonstrated the validity of a shift toward higher-margin customers.



RICHARD SANDS

CHAIRMAN OF THE BOARD,
PRESIDENT AND CEO

Growth

Leadership

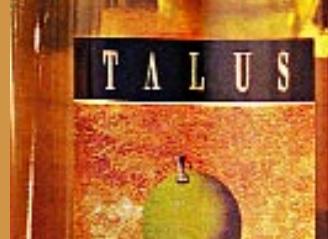
wines with the addition of a number of well-known brands during the first quarter of Fiscal 2002, including Talus, Vendange, Covey Run, Columbia and Australian import Alice White.

The result is a strategically calibrated blend of high growth operations with high cash flow businesses that will enable us to sustain consistent long-term growth. Constellation's investments in the faster-growing categories of the beverage alcohol industry reinforce our confidence that we can meet our long-term goals for sales growth of 6 to 8 percent from existing operations, reaching as high as 15 percent with acquisitions. This should translate into average annual earnings per share growth in the range of 15 to 20 percent. At this rate, we anticipate doubling Constellation's sales and earnings in five years.

Constellation has just completed an impressive year and we are well on our way to continuing this trend.

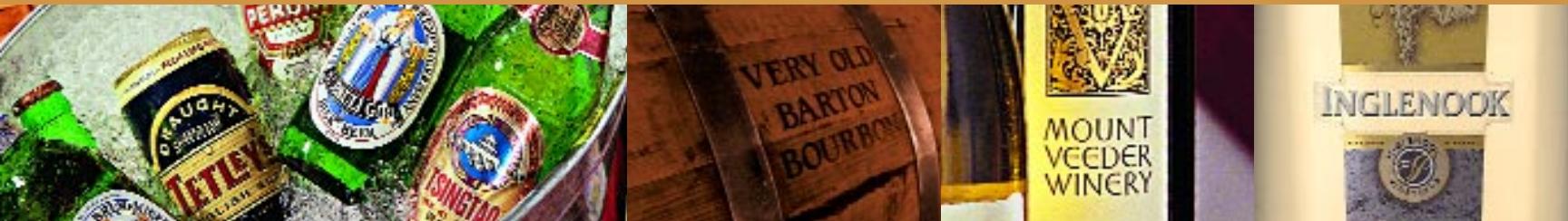
execute our marketing strategies. We fill gaps in our portfolio to build on our breadth and depth so that we are an important player in our distribution channel.

We identify faster-growing, higher-margin segments of the beverage alcohol industry, then aggressively pursue those opportunities that meet our financial targets: Earnings accretion and returns well in excess of our cost of capital. Our recent acquisitions exemplify this approach. In early July 2001, our fine wine portfolio plans to add Ravenswood, one of the fastest-growing, most respected California Zinfandel brands. Constellation's popular and premium wine portfolio expanded its offerings to higher-margin



On the following pages we share a glimpse of one of the most successful beverage alcohol companies in the world...

Constellation.



Our three growth drivers, imported beer, fine wine and U.K. wholesale operations, show considerable strength. We are leveraging our sales force and marketing expertise through our latest acquisitions and are seeing immediate benefits through increased buying power. We are gaining expertise in cross-border initiatives, which include U.K. distribution of our California wine selection that has seen strong sales and now accounts for a fast growing element of our U.K. table wine sales. And, underscoring our ongoing confidence in our ability to sustain double-digit earnings per share growth, we announced a two-for-one stock split to shareholders of record as of April 30, 2001.

In a year of uncertainty in the economy and stock market, Constellation has done well. In a year of industry changes, we are seizing opportunities. We are committed to maintaining a flexible culture that allows us to stay close to our

markets and our consumers even as Constellation grows. We want to thank our employees for their dedication in helping our Company grow; our investors for their belief in our strategy; and our distributors, wholesalers and retailers for their ongoing efforts in support of our brands. We will continue to show our appreciation to consumers by providing them with brands they enjoy across all beverage alcohol categories. And, underlying all of our business decisions is our constant focus on enhancing shareholder value through continued implementation of our proven growth strategy.

Richard Sands

RICHARD SANDS

*Chairman of the Board,
President and Chief Executive Officer
Constellation Brands, Inc.*

Market Intelligence

Industry Highlights

For the beverage alcohol industry, the past year validated a number of trends, underscoring the value of Constellation's wide-ranging portfolio of products that allow the company to continue its strong growth patterns. In a number of segments where Constellation is well-positioned, the outlook is bright.

UNITED STATES

In the U.S., beverage alcohol volume reached record levels, with 7 billion gallons entering distribution channels, marking the 5th consecutive year of growth. Premium wines and imported beer continued to lead the growth with double-digit gains. Four million new adults reaching legal drinking age each year and aging baby boomers with greater disposable income are expected to continue to contribute to this trend for at least 10 years. Per capita wine consumption in the U.S. is expected to grow 18 percent, reaching 12.5 liters per person by 2005. Imported beer consumption is expected to increase from 2.5 gallons to more than 4.5 gallons per person by the year 2010.

Consolidation across distribution channels, growth in imported beer and fine wines in the U.S. and table wines and wholesale in the U.K., along with improving demographics, are just a few of the key trends in the industry that will provide opportunities for Constellation's continued growth.

UNITED KINGDOM

In the U.K., more consumers regularly drink wine than any other alcoholic beverage. Table wines, which account for 72 percent of all wine consumed in the U.K., are growing 6 percent in volume and 9 percent in value. Per capita consumption is up 30 percent over the last 10 years and is expected to grow another 15 percent by 2005, reaching 22 liters per person. In 2000, shipments of California wines to the U.K. increased 16 percent. About 25 percent of all California wine exports find their way to the U.K., making it the number one importer of California wines.

Ahead with Beer:

Constellation's beer portfolio markets 6 of the top 25 imports in the U.S., making it a leader in imports, the fastest-growing beer category in the country. Constellation's Mexican portfolio includes Corona Extra, the #1 imported beer, Corona Light, Modelo Especial, Pacifico and Negra Modelo. Rounding out its portfolio are leading brands like St. Pauli Girl, the #2 German import; Peroni, the #1 Italian import; and Tsingtao, the #1 Chinese import.

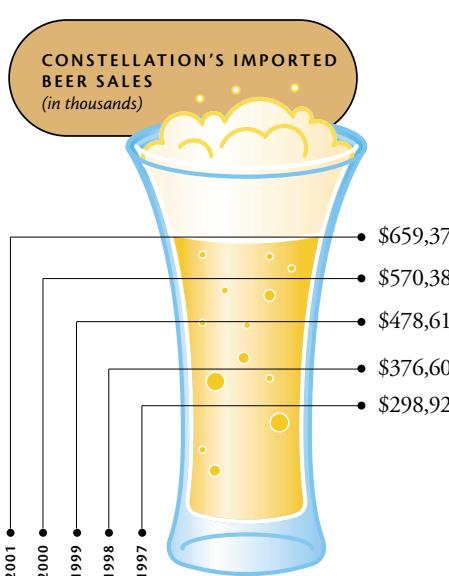
FAMILY OF BRANDS

Enormous consumer support of Corona Extra, the flagship of the Mexican portfolio, has allowed Corona to transcend the imported beer category so that it now competes with domestic brands for market share. Pacifico, growing in popularity in its core market of young West Coast consumers, is expected to significantly outperform the import category. Modelo Especial continues to build strong consumer loyalty through advertising and promotional programs developed to capitalize on three core themes: pride, tradition and heritage.



REAL WINNERS

St. Pauli Girl, which grew 16 percent last year and won the 2001 Gold Medal for Best German Lager by the American Tasting Institute, is gaining greater distribution through 12-packs, a 24 oz. bottle and St. Pauli Girl Non-Alcoholic. Peroni, also a Gold Medal Winner for best-tasting Italian lager, expects distribution beyond traditional Italian-American outlets due to its quality and upscale image. Tsingtao, the #1 imported beer from China, is now available in a new long-neck bottle and in cans in selected markets. Tetley's, winner of the 2001 Gold Medal for Best Pub Draught Ale, is Britain's #1 cask ale.



THE MOST POWERFUL IMPORTED BEER PORTFOLIO.

NEGRA MODELO
Growing at double-digit rates last year, this dark beer continues to perform well against its peers.

MODELO ESPECIAL
The third best-selling Mexican import grew over 20% last year due to its rapidly increasing popularity among consumers who prefer Mexican beer.

PACIFICO
With volume surpassing the two million case mark for the first time, sales for Pacifico grew more than 50% enhanced by the introduction of the new 12-pack.

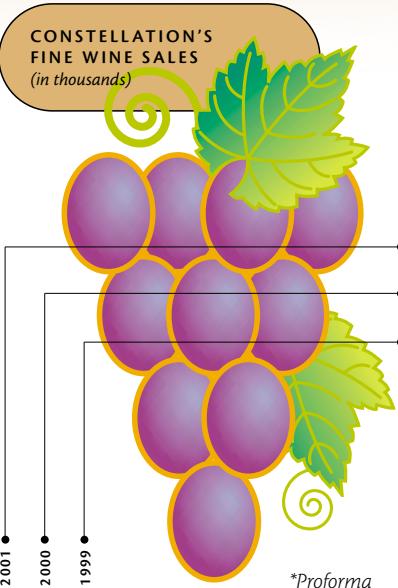
CORONA EXTRA
The #1 imported beer in the U.S. with a 27% market share, Corona Extra continued its momentum, securing the #7 position in the overall U.S. beer market, up from #10 last year.

CORONA LIGHT
The #2 imported light beer grew more than 24% last year, capitalizing on consumers' interest in light beers.

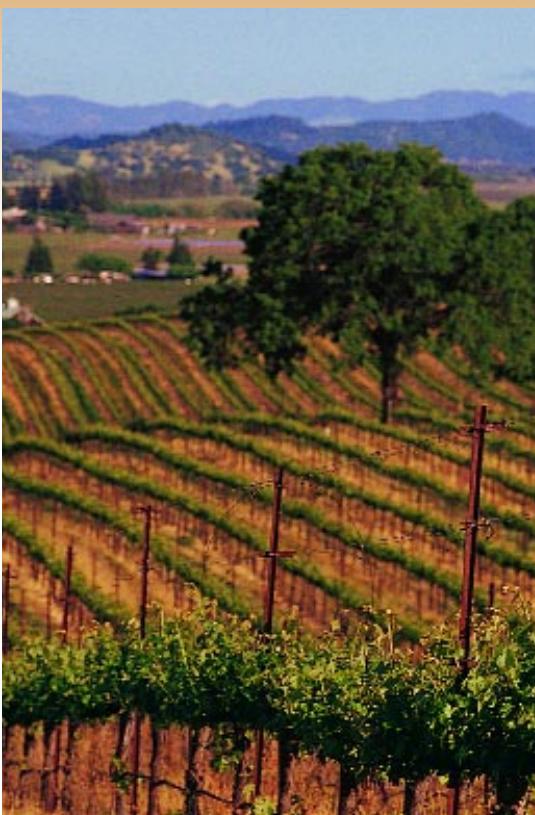
The Best of Fine Wine:

Constellation's fine wine portfolio offers the most desirable selection of super-premium and ultra-premium wines in the country. Through its investment in premium vineyards and with the finest winemakers and vineyard managers in the business, Constellation has committed to making its fine wine portfolio one of the most sought after by connoisseurs who appreciate quality and value, whether dining in fine restaurants or entertaining at home.

RICH LAND YIELDS FINE WINE



The fine wine division of Constellation includes 3,800 acres of vineyards in the finest appellations of California and Chile, underscoring the Constellation philosophy of creating fine wines that are known for their origin, giving each wine a distinct personality. The fine wine portfolio demonstrates Constellation's commitment to superior quality married to affordability, delivering some of the finest wine values in the world. In a segment where the quality of grapes defines the quality of the wine, Constellation has invested in some of the best land and vineyards in California and Chile to double the size of its fine wine business over the next five years.



EXPLORING WINES

Education is also a primary element of the Constellation philosophy. The newly opened Franciscan Oakville Estate Visitors Center is leading a new era of hospitality and wine education in the Napa Valley. Visitors' programs focus on education from the vineyard to the bottle through interactive tasting, seminars and special engagements with the world's foremost experts in wine and food. The annual invitation-only Sommelier Summit connects Constellation with wine gatekeepers at the finest restaurants in the country to help them understand Constellation's emphasis on the soil, topography, micro-climates and winemaking that give each wine a reason for being.



DOUBLE-DIGIT GROWTH. A LEADER IN THE FASTEST GROWING SEGMENT OF THE WINE INDUSTRY.

VERAMONTE

Estate grown wines from the prestigious Veramonte Estate in Chile's Casablanca Valley – Chile's newest and most sought after appellation.

SIMI

Capturing the diversity of Sonoma grown grapes, 127 year history of fine wine-making in Sonoma County.

ESTANCIA

Grapes for the wines come from California's premier North Coast appellations including Monterey, Alexander Valley and Paso Robles.

QUINTESSA

An incredible vineyard estate of 280 acres located in Rutherford, among Napa Valley's most prestigious Cabernet appellations. Destined to be one of the great wine estates of the world.

FRANCISCAN OAKVILLE ESTATE

240 acres in the heart of Napa Valley, the vineyard is located in Oakville, one of the most prestigious wine grape growing neighborhoods.

MT. VEEDER

At 1,000 to 6,000 feet above sea level, Mount Veeder Winery produces rich, concentrated wines made from mountain fruit – "wines with altitude."

Smooth Spirits: Constellation's spirits portfolio is home of some of the best-known brands in the U.S., including Black Velvet, Fleischmann's, Mr. Boston, Skol and Paul Masson Grande Amber. Constellation is the dominant provider of popular-priced spirits, with a portfolio that extends across all spirits categories, encompassing 13 of the top 100 best-selling spirits brands in the U.S.



GOOD TASTE

Paul Masson Grande Amber is aged for a minimum of three years in oak barrels to achieve extra smoothness. Sales of this rich tasting brandy continue to grow at double-digit rates, far outpacing the category. Black Velvet, with a taste as smooth as velvet, is a recognized leader in its class. The brand was revitalized through promotional and advertising investment with a focus on leveraging the Black Velvet Lady, continuing a tradition that began over 30 years ago.



A CORDIAL WELCOME

In the U.S., the cordial and liqueur category accounts for 12% of all spirits consumption, second only to vodka. Shipments of 99 Bananas, the original banana schnapps, were up more than 24% last year. di Amore Amaretto is the #1 domestic amaretto, with more than 16% market share of the domestic amaretto category. The Mr. Boston line, with its well-known name reinforced by *The Mr. Boston Bartender's Guide*, is one of the leading cordial lines and is sold primarily on-premise.



F L A G S H I P B R A N D S

D R I V E G R O W T H .

F

L

A

G

S

H

I

P

B

R

A

N

D

S

D

R

I

V

E

G

R

O

W

T

H

F

L

A

G

S

H

I

P

B

R

A

N

D

S

D

R

I

V

E

G

R

O

W

T

H

F

L

A

G

S

H

I

P

B

R

A

N

D

S

D

R

I

V

E

G

R

O

W

T

H

F

L

A

G

S

H

I

P

B

R

A

N

D

S

D

R

I

V

E

G

R

O

W

T

H

F

L

A

G

S

H

I

P

B

R

A

N

D

S

D

R

I

V

E

G

R

O

W

T

H

F

L

A

G

S

H

I

P

B

R

A

N

D

S

D

R

I

V

E

G

R

O

W

T

H

F

L

A

G

S

H

I

P

B

R

A

N

D

S

D

R

I

V

E

G

R

O

W

T

H

F

L

A

G

S

H

I

P

B

R

A

N

<div data-bbox="697 823 711 836" data

Popular & Premium Wine for any Occasion:

Constellation's popular and premium wine portfolio offers consumers 20 of the top-selling 100 wine brands in the U.S. Whatever the occasion, Constellation provides a wide range of choices, from well-known premium wines such as Talus, Covey Run or Australian import Alice White, to Arbor Mist, a light wine with fruit, to value table wines such as Almaden Bag-in-the-Box.

FOR GOOD TIMES, ANYTIME

Arbor Mist, Vendange, Inglenook, Almaden—these well-known brands, some household names for generations—account for more than 22 million cases a year, representing 14% of all domestic table wine sold in the U.S. Through line extensions, repackaging and an emphasis on quality and value, these brands continue to grow in popularity.



NEW ADDITIONS

In March 2001, Constellation filled gaps in its higher-margin popular and premium wine portfolio through the addition of brands such as Talus, Covey Run, Columbia, Alice White, Vendange, Nathanson Creek and Heritage. These brands have substantially increased Constellation's presence in the \$4 to \$10 per bottle table wine segment, moving Constellation's market share in this segment from 2% to 14%.



PRODUCT DEVELOPMENT, SMART MARKETING AND A SURE SENSE OF WHAT APPEALS TO CONSUMERS.

ALMADEN BAG-IN-THE-BOX
Constellation listens to consumers. As a result, it developed a new twist-and-serve spout for the Almaden Bag-in-the-Box that keeps the wine fresher and makes it more convenient to pour. This innovative packaging helped take the product to #2 in its category.

TALUS
Fueled by its striking packaging and compelling promotions, this brand grew by over 11%, becoming one of the fastest-growing wine brands in its class. Building on its existing brand equity, Talus expects to continue its growth by expanding distribution and introducing new varietals to consumers.

ARBOR MIST
The first wine with fruit in the U.S., Arbor Mist continues to grow market share to retain its #1 position in the category that it created. Innovative packaging and new flavors, such as the recently introduced Melon White Zinfandel, serve to boost its popularity and create a loyal following.

MARCUS JAMES
For wine consumers interested in exploring wines from other parts of the world, Marcus James builds on its import heritage to bring to U.S. markets the best wines the world has to offer. Marcus James continues to provide consumers with exceptional quality, value and the opportunity to explore wines from the world over.

COOK'S
An 18% share of the sparkling category gives Cook's its #2 ranking. Cook's, an award-winning champagne for less than \$10, is enjoyed everyday and on special occasions. "The Life of the Party Since 1859."

Our Global Centerpiece: The U.K. business, platform for Constellation's global strategy, has two distinct components – leading marketer and producer of wine and largest independent drinks wholesaler to the on-trade market. Long an innovator, Constellation's U.K. business was the first to introduce wine in a box and retains the leadership position in that category with the best-selling wine brand in the U.K., Stowells of Chelsea.



SERVING THE U.K.

Trucks in Constellation's U.K. wholesale operations travel the equivalent of 180 times around the world each year. Through its national coverage and strategically located depots, the wholesale operations provide a full range of wine, spirits, cider, beer and minerals to more than 16,000 trade accounts in the U.K. After completing a customer realignment strategy last year, the U.K. wholesale business is on track to return to double-digit growth rates.

TASTE THE WORLD

As one of the UK's leading wine importers, Constellation encourages consumers "to taste the world," offering 70 wines from 10 countries, including a number of California wines produced by Constellation such as Estate Cellars, Paul Masson and Estancia. It has focused marketing efforts on educating consumers about the range of branded global wines, guiding them as they shift to higher-margin brands through a wide range of choices in packaging and wine styles. Efforts are already underway to duplicate the U.S. success of Arbor Mist in the U.K.



RANGE OF BEST SELLERS IN PUB OR HOME .

GAYMER'S OLDE ENGLISH
The #2 cider brand in the off-trade market, Gaymer's is an authentic, quintessential English cider, made from Bramley apples uniquely blended for a soft, smooth taste.

BLACKTHORN
With 12% share of the cider market, Blackthorn is ranked #2 in its category. Blackthorn's sponsorship of Bath Rugby, a leading team in a growing sport, builds awareness and drives consumer preference for the brand. An advertising campaign "it may not be California, but it is ours" is designed to capture the attention of consumers who celebrate surfing, sports, and holiday culture on the U.K.'s West Coast.

STOWELLS OF CHELSEA
The U.K.'s best-selling wine brand, Stowells of Chelsea, offers consumers the "total wine solution". From the 3L box to 250ml and 750ml glass bottles, Stowells of Chelsea has a package and a blend to satisfy a range of preferences.

QC
Available in four styles, and growing in the high single-digits, QC is the U.K.'s best-selling fortified British wine. QC has a smooth taste that is enjoyed as an apéritif before lunch or as a relaxing drink later in the day.

New Opportunities:

Constellation continued its tradition of: new product introductions, supported by comprehensive marketing initiatives; U.S./U.K. product exchanges that create robust cross-border opportunities; and smart acquisitions designed to enhance its portfolio. Constellation is pleased with early indicators that point to success on these initiatives.

CROSSING CATEGORIES WITH K

K Vodka Ice was recently introduced to capitalize on one of the UK's fastest growing segments, the premium packaged spirits category. Backed by the stylish K brand, K Vodka Ice is a blend of fine vodka with either lemon or orange flavors. K Vodka Ice is building momentum and brand awareness in the on-premise market before it is launched off-premise.



THOR'S HAMMER FRESH FROM SWEDEN

Thor's Hammer, a Swedish import that is a super-premium, triple-distilled 100% wheat-based vodka made with water from a pure subterranean Swedish lake, was recently introduced by Constellation to the U.S. market. A print advertising campaign in *The Wall Street Journal* and trade publications has helped give Thor's Hammer solid footing in the imported vodka category, which saw nearly 17% growth in the past year.



CROSSING BORDERS WITH K

K Cider, just launched nationally in the U.S., is the #2 premium packaged cider in the U.K. Targeted at 21 – 30 year-old consumers who want something new and different, the slightly sweet, lightly carbonated cider achieved significant distribution in dance clubs, bars and taverns during U.S. test markets. Available in six-packs and cases, K Cider has a strong start in gaining significant share of the U.S. cider market.



NEW BRANDS . NEW MARKETS . NEW OPPORTUNITIES .



PRIDE OF WASHINGTON

Columbia Winery, called one of Washington's classiest wineries by *The Wall Street Journal*, produces award-winning wines that have just been added to Constellation's popular and premium portfolio. Columbia's wines have won over the Pacific Northwest. Washington, the second largest premium-wine-producing state in the U.S. next to California, has a climate that has proved ideal for production of a wide variety of wines.

Selected Financial Data

	For the Years Ended February 28 and 29,				
(in thousands, except per share data)	2001	2000	1999	1998	1997
Gross sales	\$3,154,294	\$3,088,699	\$1,984,801	\$1,632,357	\$1,534,452
Less-excise taxes	(757,609)	(748,230)	(487,458)	(419,569)	(399,439)
Net sales	2,396,685	2,340,469	1,497,343	1,212,788	1,135,013
Cost of product sold	(1,639,230)	(1,618,009)	(1,049,309)	(869,038)	(812,812)
Gross profit	757,455	722,460	448,034	343,750	322,201
Selling, general and administrative expenses	(486,587)	(481,909)	(299,526)	(231,680)	(208,991)
Nonrecurring charges	–	(5,510)	(2,616)	–	–
Operating income	270,868	235,041	145,892	112,070	113,210
Interest expense, net	(108,631)	(106,082)	(41,462)	(32,189)	(34,050)
Income before taxes and extraordinary item	162,237	128,959	104,430	79,881	79,160
Provision for income taxes	(64,895)	(51,584)	(42,521)	(32,751)	(32,977)
Income before extraordinary item	97,342	77,375	61,909	47,130	46,183
Extraordinary item, net of income taxes	–	–	(11,437)	–	–
Net income	\$ 97,342	\$ 77,375	\$ 50,472	\$ 47,130	\$ 46,183
Earnings per common share:					
Basic:					
Income before extraordinary item*	\$ 2.65	\$ 2.14	\$ 1.69	\$ 1.26	\$ 1.19
Extraordinary item*	–	–	(0.31)	–	–
Earnings per common share – basic*	\$ 2.65	\$ 2.14	\$ 1.38	\$ 1.26	\$ 1.19
Diluted:					
Income before extraordinary item*	\$ 2.60	\$ 2.09	\$ 1.65	\$ 1.23	\$ 1.18
Extraordinary item*	–	–	(0.30)	–	–
Earnings per common share – diluted*	\$ 2.60	\$ 2.09	\$ 1.35	\$ 1.23	\$ 1.18
Total assets	\$2,512,169	\$2,348,791	\$1,793,776	\$1,090,555	\$1,043,281
Long-term debt	\$1,307,437	\$1,237,135	\$ 831,689	\$ 309,218	\$ 338,884

For the fiscal year ended February 28, 2001, and for the fiscal year ended February 29, 2000, see Management's Discussion and Analysis of Financial Condition and Results of Operations under Item 7, on Form 10-K and Notes to Consolidated Financial Statements as of February 28, 2001, under Item 8, on Form 10-K.

*Earnings per share have been retroactively adjusted to give effect to a two-for-one stock split distributed in the form of a stock dividend on May 14, 2001.

Officers and Facilities

Directors	Peter Aikens <i>President and Chief Executive Officer,</i> Matthew Clark plc	Southeast Sales Division Atlanta, Georgia 770-226-9463	Distilled Spirits Facilities Barton Brands Bardstown, Kentucky Owensboro, Kentucky
Richard Sands <i>Chairman of the Board, President and Chief Executive Officer,</i> Constellation Brands, Inc.	Alexander Berk <i>President and Chief Executive Officer,</i> Barton Incorporated	Western Sales Division Irvine, California 949-261-2248	Barton Brands of Georgia Atlanta, Georgia
Robert Sands <i>Group President and a Director,</i> Constellation Brands, Inc.	Agustin Francisco Huneeus <i>President,</i> Franciscan Vineyards, Inc.	Wine and Grape Processing Facilities Batavia Wine Cellars Batavia, New York	Barton Brands of California Carson, California
George Bresler <i>Director, Partner of the law firm of Kurzman Eisenberg</i> Corbin Lever & Goodman, LLP	Jon Moramarco <i>President and Chief Executive Officer,</i> Canandaigua Wine Company, Inc.	Black Velvet Distilling Co. Lethbridge, Alberta, Canada	Schenley Distilleries, Inc. Valleyfield, Quebec, Canada
Jeananne K. Hauswald <i>Director, Managing Partner of Solo Management Group, LLC</i>	James A. Locke, III <i>Director, Partner of the law firm of Nixon Peabody LLP</i>	Canandaigua Winery Canandaigua, New York	Viking Distillery Albany, Georgia
Thomas C. McDermott <i>Director, Proprietor of Forbes Products, LLC</i>	Paul Smith <i>Director, Retired from Eastman Kodak Company</i>	Columbia Winery Woodinville, Washington	Cider Processing Facility Shepton Mallet Somerset, England
Richard Sands <i>Chairman of the Board, President and Chief Executive Officer,</i> Constellation Brands, Inc.	Canandaigua Wine Company, Inc. 235 North Bloomfield Road Canandaigua, New York 14424 716-394-7900	Dunnewood Vineyards and Winery Ukiah, California	Bottled Water Facility Strathmore Forfar, Scotland
Robert Sands <i>Group President and a Director,</i> Constellation Brands, Inc.	Canandaigua Wine Company, Inc. 1001 Galaxy Way Suite 212 Concord, California 94520 925-688-0120	Escalon Winery Escalon, California	Brewery Stevens Point Brewery Stevens Point, Wisconsin
Thomas Mullin <i>Executive Vice President and General Counsel,</i> Constellation Brands, Inc.	Franciscan Estates 1178 Galleron Road St. Helena, California 94574 707-963-7111	Mission Bell Winery Madera, California	Monterey Cellars Gonzales, California
George Murray <i>Executive Vice President and Chief Human Resources Officer,</i> Constellation Brands, Inc.	Matthew Clark plc Whitchurch Lane Bristol BS 14 0JZ England 011-44-1275-830-345	Paul Masson Winery Madera, California	Paul Thomas Cellars Sunnyside, Washington
Thomas Summer <i>Executive Vice President and Chief Financial Officer,</i> Constellation Brands, Inc.	Northeast Sales Division Canandaigua, New York 716-393-7020	Simi Winery Healdsburg, California	Ste. Chapelle Winery Caldwell, Idaho
	Northwest Sales Division Woodinville, Washington 425-488-8164	Turner Road Vintners Lodi, California	Widmer's Wine Cellars Naples, New York

Investor Information

Corporate Headquarters

300 Willowbrook Office Park
Fairport, New York 14450
(716) 218-2169

Investor Center: 1-888-922-2150
<http://www.cbrands.com>

Stock Transfer Agent and Registrar

Mellon Investor Services
Overpeck Centre
85 Challenger Road
Ridgefield Park, NJ 07660

1-800-288-9541
<http://www.melloninvestor.com>

Stock Trading

The Company's Class A and Class B Common Stock trade on the New York Stock Exchange (NYSE) under the ticker symbols STZ and STZ.B, respectively. As of May 15, 2001, there were 961 and 263 holders of record of Class A and Class B Common Stock, respectively.

Dividend Policy

The Company's policy is to retain all of its earnings to finance the development and expansion of its business, and the Company has not paid any cash dividends since its initial public offering in 1973.

Information Regarding Forward-Looking Statements

The statements set forth in this report, which are not historical facts, are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those set forth in, or implied by, the forward-looking statements. For risk factors associated with the Company and its business, please refer to the Company's Annual Report on Form 10-K for the fiscal year ended February 28, 2001.

The Annual Report on Form 10-K may be found inside the back pocket of this report or may be obtained by contacting the Constellation Brands, Inc. corporate headquarters at the address provided on this page or from Constellation Brands' web site at www.cbrands.com or by requesting it from the Securities and Exchange Commission (SEC).

Annual Stockholders' Meeting

The annual meeting will be held at 11:00 a.m. on Tuesday, July 17, 2001, at One Chase Square, Rochester, New York. A proxy statement will be mailed approximately June 18, 2001, to each shareholder of record on May 31, 2001.

This Annual Report together with the Company's Form 10-K for the fiscal year ended February 28, 2001, which is located in the inside back pocket of this report, form the Annual Report to stockholders. Form 10-K includes important financial and business information regarding the Company. In particular, stockholders should refer to Form 10-K for the Company: audited financial statements and notes thereto; supplementary financial information; Management's Discussion and Analysis of Financial Condition and Results of Operations; discussion about market risk; description of its industry segments and foreign and domestic operations; and discussion about the market price of and dividends on its common equity and related stockholder matters.

DESIGN: DUNN AND RICE DESIGN, INC.
MAJOR PHOTOGRAPHY: JOHN MYERS PHOTOGRAPHY
PRINTING: CANFIELD & TACK, INC.
WRITER: KAREN HORTON COMMUNICATIONS, LLC